

PRESS RELEASE

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FAYETTE COUNTY INSURANCE AGENT SENTENCED ON INSURANCE FRAUD CHARGE

CHARLESTON, WV – West Virginia Insurance Commissioner, Jane L. Cline, announced today insurance agent Brenda Valentine of the Mountain State Insurance Agency, Inc., pleaded guilty and was sentenced earlier this month to one felony count of embezzlement.

Valentine, of Montgomery, was indicted in May on six (6) felony counts related to insurance fraud. Valentine allegedly took money from customers for promised insurance policies and then failed to provide those policies. Ms. Valentine also allegedly forged insurance applications in an attempt to prevent discovery of the stolen premium payments.

“Fraud is a crime that saturates every type of insurance and makes victims of all consumers by inflating premiums and increasing the cost of buying goods and services,” Cline said. “It is critical that we continue protecting West Virginia consumers and employers against individuals who seek to profit illegally from the business of insurance.”

Valentine pleaded guilty in June to one felony count of embezzlement. Valentine was sentenced August 16, 2006 to one (1) to ten (10) years in prison; however, the

sentence was suspended and Ms. Valentine was placed on five (5) years probation; the first four (4) months of which will be spent on home confinement. Valentine was also ordered to pay nearly \$23,000 in restitution, perform 500 hours of community service and ordered to speak at three Fayette County high schools on the dangers of embezzlement.

The premium payments that represented numerous policy holders were replaced by Mountain State Insurance Agency, Inc., so that no individual policyholder suffered losses.

Investigation and prosecution in this case has been a joint effort with Fayette County Prosecutor Carl L. Harris' office and the Offices of the Insurance Commissioner.

The Offices of the Insurance Commissioner revoked the insurance producer license of Brenda Valentine effective April 4, 2006.

Anyone with information relating to suspected insurance fraud is urged to call, toll-free, 1-888-372-8392.